

Lane County

Estimated Economic Contribution of Agriculture, Food, and Food Processing Sectors 6/27/2019

Using the most recent IMPLAN data available (2017) adjusted for 2019, 14 agriculture, food, and food processing sectors were analyzed to determine their overall contribution to the Lane County economy.¹

These 14 sectors have a total direct output of approximately **\$134.9 million** and support **401 jobs** in Lane County. Running the model for all 14 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Lane County Economy					
Contribution Type ²	Employment	% Employment	Total Value Added ³	Total Value Added % of Gross Regional Product ⁴	Output ⁵
Direct Effect	401.3	29.73%	\$37,873,169	40.79%	\$134,930,370
Indirect Effect	237.1	17.57%	\$10,178,308	10.96%	\$19,860,089
Induced Effect	90.0	6.67%	\$6,276,310	6.76%	\$12,643,850
Total Effect	728.5	53.96%	\$54,327,787	58.52%	\$167,434,309

As shown in the above table, agriculture, food, and food processing sectors support **729 jobs**, or **53.96%** of the entire workforce in the county.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of GRP. Total value added by the 14 agriculture, food, and food processing sectors is approximately **\$54.3 million**, or **58.52% of the GRP**.

The following tables document the top industries affected by employment and output, as well as a listing of all industries that were analyzed.

¹ Article on building a contribution analysis in IMPLAN that avoids double counting:

<https://implanhelp.zendesk.com/hc/en-us/articles/115002801513-Considerations-of-Contribution-Analysis>

² Direct, indirect, and induced effects sum together to estimate the total economic contribution in the state. **Direct effects** capture the contribution from agricultural and food products. **Indirect effects** capture the economic benefit from farms and agricultural businesses purchasing inputs from supporting industries within the state. **Induced effects** capture the benefits created when employees of farms, agricultural businesses, and the supporting industries spend their wages on goods and services within the state.

³ Value added = labor income + indirect business taxes + other property type income.

⁴ GRP = final demand of households + governments expenditures + capital + exports - imports - institutional sales.

⁵ Output = intermediate inputs + value added.

In the top ten agriculture, food, and food processing sectors by employment, the beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming sector is the top employer with **345 employees**. This table also shows the amount of jobs that are created by the agriculture industry in Lane County.

Top Ten Agriculture, Food, and Food Processing Sectors by Employment		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	345.0	\$101,176,211
Support activities for agriculture and forestry	93.8	\$4,794,755
Wholesale trade	48.2	\$10,346,981
Grain farming	28.4	\$23,406,736
Animal production, except cattle and poultry and eggs	14.4	\$3,228,554
Truck transportation	14.1	\$2,308,621
Real estate	12.4	\$805,746
Securities and commodity contracts intermediation and brokerage	11.2	\$1,324,494
Monetary authorities and depository credit intermediation	11.0	\$1,808,466
Retail - Nonstore retailers	7.1	\$630,098

The beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming directly contributes approximately **\$101.2 million** to the Lane County economy. The table below also shows the amount of revenue that is generated in other industries by having a strong agriculture industry.

Top Ten Agriculture, Food, and Food Processing Sectors by Output		
Sector	Total Employment	Total Output
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	345.0	\$101,176,211
Grain farming	28.4	\$23,406,736
Wholesale trade	48.2	\$10,346,981
Support activities for agriculture and forestry	93.8	\$4,794,755
Owner-occupied dwellings	0.0	\$3,321,372
Animal production, except cattle and poultry and eggs	14.4	\$3,228,554
Truck transportation	14.1	\$2,308,621
Insurance carriers	5.4	\$2,209,187
Monetary authorities and depository credit intermediation	11.0	\$1,808,466
Other local government enterprises	4.3	\$1,354,249

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Lane County economy.

All Agriculture, Food, and Food Processing Sectors		
Sector	Total Employment	Total Output
Oilseed farming	0.4	\$954,616.01
Grain farming	28.4	\$23,406,736.37
Vegetable and melon farming	0.6	\$120,012.36
Fruit farming	0.4	\$34,847.88
Tree nut farming	0.0	\$9.73
All other crop farming	2.7	\$449,201.55
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	345.0	\$101,176,208.50
Poultry and egg production	0.2	\$188,266.92
Animal production, except cattle and poultry and eggs	14.4	\$3,228,554.01
Commercial hunting and trapping	1.0	\$20,579.49
Support activities for agriculture and forestry	93.8	\$4,794,754.98
Bread and bakery product, except frozen, manufacturing	0.3	\$37,497.09
Farm machinery and equipment manufacturing	1.4	\$420,078.93
Landscape and horticultural services	2.1	\$99,004.08

All 105 counties in Kansas have an IMPLAN model and an agriculture, food, and food processing contribution summary. These values do not factor in the retail environment of food sales. Food retail is important, but in order to provide the most accurate picture of what production agricultural and processing contributes to Lane County, the retail sector was omitted.